

EXECUTIVE SECRETARIAT**Routing Slip**

TO:

| | | ACTION | INFO | DATE | INITIAL |
|----|-----------|--------|------|------|---------|
| 1 | DCI | | ✓ | | |
| 2 | DDCI | | ✓ | | |
| 3 | EXDIR | | ✓ | | |
| 4 | D/ICS | | ✓ | | |
| 5 | DDI | | ✓ | | |
| 6 | DDA | | | | |
| 7 | DDO | | | | |
| 8 | DDS&T | | | | |
| 9 | Chm/NIC | | | | |
| 10 | GC | | | | |
| 11 | IC | | | | |
| 12 | Compt | | | | |
| 13 | D/EEO | | | | |
| 14 | D/Pers | | | | |
| 15 | D/OEA | | | | |
| 16 | C/PAD/OEA | | | | |
| 17 | SA/IA | | | | |
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| 19 | C/IPD/OIS | | | | |
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SUSPENSE _____ Date _____

Remarks:

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5/2/83
 Date

THE WHITE HOUSE

WASHINGTON

PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD

Executive Registry

83-2323

April 27, 1983

Dear Barry:

You could not have been more gracious nor given us the benefit of wiser judgment than you did when Leo Cherne and I visited you this afternoon. The occasion, in fact, was so warm that we were reluctant to leave and may have already imposed on your time.

We are especially happy that we had this opportunity to talk to you today because we had just learned a few hours earlier that a number of the able members of your Committee appear to be pressing for some diminution of the economic intelligence analysis which is being conducted at Langley. As best we can tell, it is the judgment of these Senators that some of the analytic work can and should be undertaken by other Cabinet agencies, particularly the Commerce and Treasury Departments.

Even though you agreed with us completely, we wonder whether it might not be of use to your Committee for us to state in summary form why this conception creates great anxiety among us at PFIAB. We have been pressing the various agencies including CIA, Treasury, Commerce and the NSC staff to rapidly improve the economic intelligence which is now of such critical urgency in connection with the still unresolved crisis of the LDC debts. Not surprisingly, the Treasury experts concentrate on the financial aspects of this massive problem. Similarly, Commerce has done an excellent job of elaborating on the export and import consequences which flow from these unpaid debts. The CIA works closely with Treasury, Commerce and others but it remains the only agency capable of integrating all the consequences. In addition, of course, the CIA has the enormous advantage of instant access to the specialized sources of intelligence which are not as accessible to the other agencies.

Since last fall, PFIAB has been concerned with the possibility of political and social convulsions among one or more of the debtor nations, and this aspect of economic intelligence receives continuous attention by CIA analysts and is almost totally lacking in the analytic focus of the other agencies of the government which have totally different perspectives.

I am using the illustration of the LDC debts to underline the points we made to you. But that is only one aspect of the economic intelligence with which the agency is concerned. We know of the extensive list of studies in this field which have been scheduled at Langley for the balance of this year. There is simply no way of hastening the completion of those studies much as their results would be urgently needed were they now complete. We would deplore any action which would disrupt this process at precisely

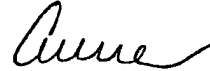
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the time that massive efforts are underway to assure that we will suffer as few surprises as possible and be given the maximum warning time of any misadventures which may yet occur.

Again, in closing, our admiration and appreciation for your understanding and support.

With warmest regards,



Anne Armstrong
Chairman

The Honorable Barry M. Goldwater
United States Senate
Washington, D. C. 20510

P.S. I want a rain check for that date in a dark closet.

✓
Blind copy: DCI Casey